

Austal Limited 2024 AGM Report

ASX code	ASB
Meeting date	1 November 2024
Type of meeting	Physical (with webcast but not interactive)
Monitor	John Campbell and Ros Ferguson
Pre AGM-meeting	With the NED (past Chair) John Rothwell, MD & CEO Paddy Gregg, CFO Christian Johnstone, Company Sec. Adrian Strang

Meeting Statistics

Number of holdings represented by ASA	6
Number of shares represented by ASA	323,662
Value of shares represented by ASA	\$1.023 million
Total number attending meeting	34 shareholders and 23 visitors in attendance
Market capitalisation	\$1,145 million
ASA open proxies voted	ASA voted in favour of all the resolutions

New Chair Richard Spencer, MD & CEO Paddy Gregg, and all Non-Executive Directors attended the Fremantle WA meeting.

John Rothwell, the Founder and immediate past Chair, commenced the meeting with some reflection on where Austal has come from to where it is today. A highlight being the Austal built LCS USS Canberra being commissioned by the US Navy in Sydney Harbour in 2023. He introduced and welcomed Richard Spencer as the new Chair.

Chair Richard Spencer officially opened the meeting with an address that included his congratulations to John Rothwell on what the company has achieved in its 36 years, and his initial interactions in 2017 with Austal when he was US Secretary of the Navy. He was particularly impressed with the longevity of Austal staff both in Australia and the US being testament to the culture of the organisation. Richard explained their growth strategy as being simple but groundbreaking, being not just a ship builder but a true strategic partner.

MD & CEO Paddy Gregg provided a presentation on how Austal has transitioned over the last 3 years. Recent contract wins and announcements in both US and Australia underpin significant future growth. He announced EBIT guidance FY25 is \$80m being about 30% increase on 2024 EBIT. Future revenue projections show about 36% more revenue in FY25 than FY24, with a steep and steady increase to 2030.

Questions included the following:

- To the new Chair, as a resident of the US, whether he is comfortable with corporate regulations of Australia and effectiveness of communication with leadership in Australia – response was comprehensive and positive.
- Re the proposed compensation fund for shareholders, how will this be made available to Australian shareholders – response that this is something new and being worked on currently by government bodies in both US and Australia.
- The Annual Report and ESG Report should be released together in the future – response that they will take it on board.
- Several related queries on financial details eg negative cash flow, trade and payables up 80%, revolving credit facility \$40m utilised, receivables up – response from CEO that most of these items relate to the T-ATS onerous contracts issue which they hope to finalise soon, and that the cash position had significantly improved from end FY24 to now after the US had granted USD \$450m for the Submarine Module Facility.
- Request to improve the website, presentations and corporate communications.

All ten resolutions were carried but the chairman only received 81.2% support for his election, whereas the Tattarang representative, Brett Cubis received 93.5% support. The new Board members did not speak to their election, and we commented later to the CEO that new Board member addresses are beneficial to shareholders.

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